



POVERTY ON LONG ISLAND

It's Growing

March 2017

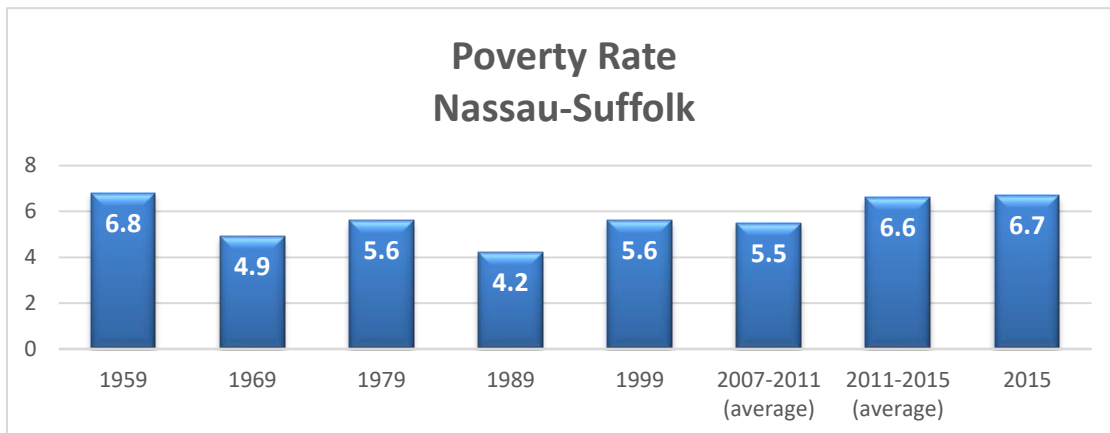


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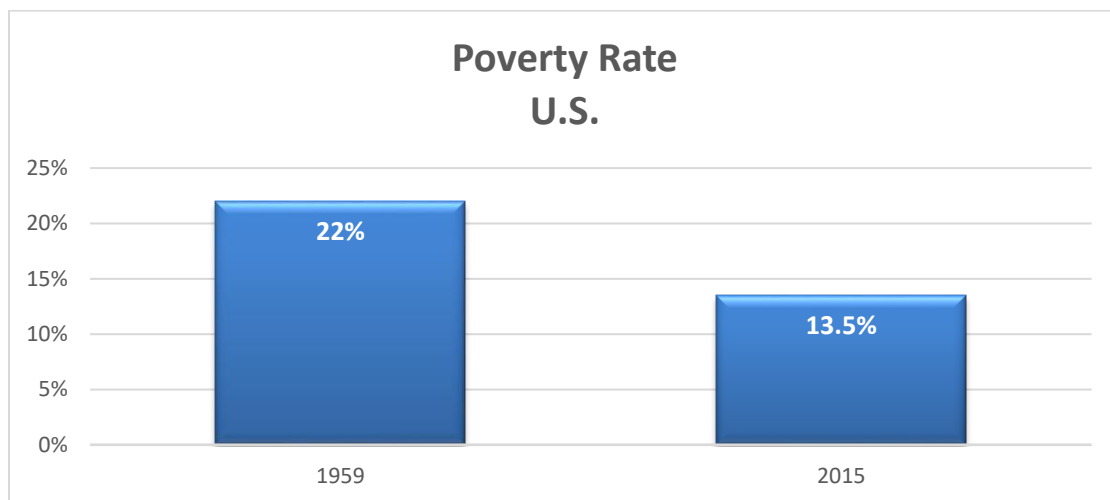
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Executive Summary

The average annual number of persons on Long Island living below the federal poverty line (\$24,250 for a family of four) between 2011 and 2015 **increased** by 32,953 to 185,415 persons, from the average annual between 2007 and 2011 of 152,462 persons. The average annual poverty rate on Long Island increased to 6.6% from 5.5% in the previous 5-year period of 2007-2011. For the individual year 2015, the latest for which poverty data is available, the poverty rate for the region rose to 6.7%. **This is the highest level of poverty reported by the U.S. Census Bureau for the Long Island region since the official government poverty series began in 1959, when the regional poverty rate was 6.8%.¹** At that time, however, the national poverty rate was 22%; three times Long Island's poverty rate. In 2015, the national poverty rate of 13.5% is now only twice as high as Long Island's rate.



Source: U.S. Census Bureau

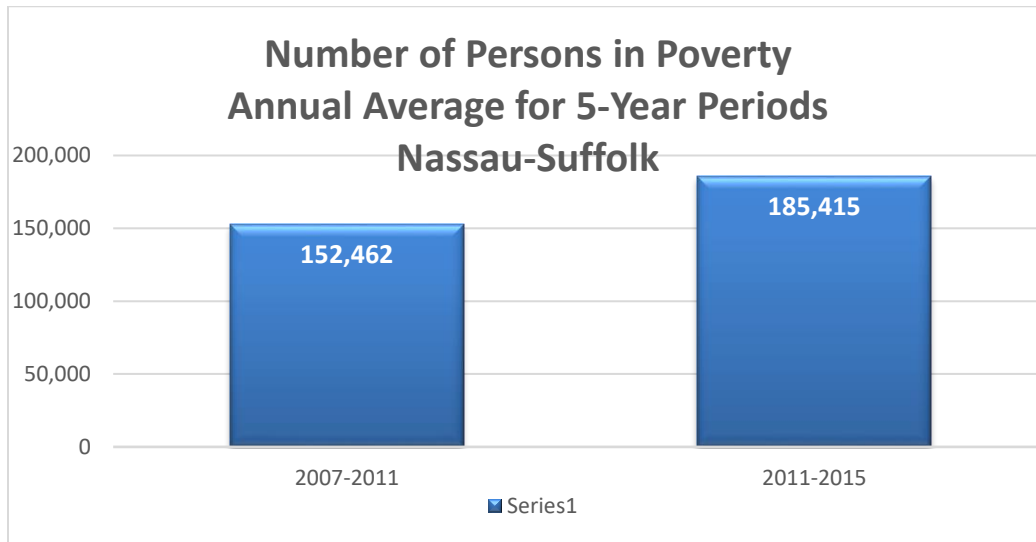


Thus, while national poverty rates (rate) shrank by 8.5 percentage points in the last six decades, Long Island's poverty rate has remained unchanged and, while significantly lower than the national rate, is growing again.

¹ For poverty estimates at the state and local levels, researchers often utilize the Census Bureau's American Community Survey (ACS) which began in 2000. In contrast to the decennial Census, the ACS is conducted annually, but data are also averaged together from two, three or five year periods to increase the reliability of estimates for smaller geographic areas.

Poverty Levels Are Increasing

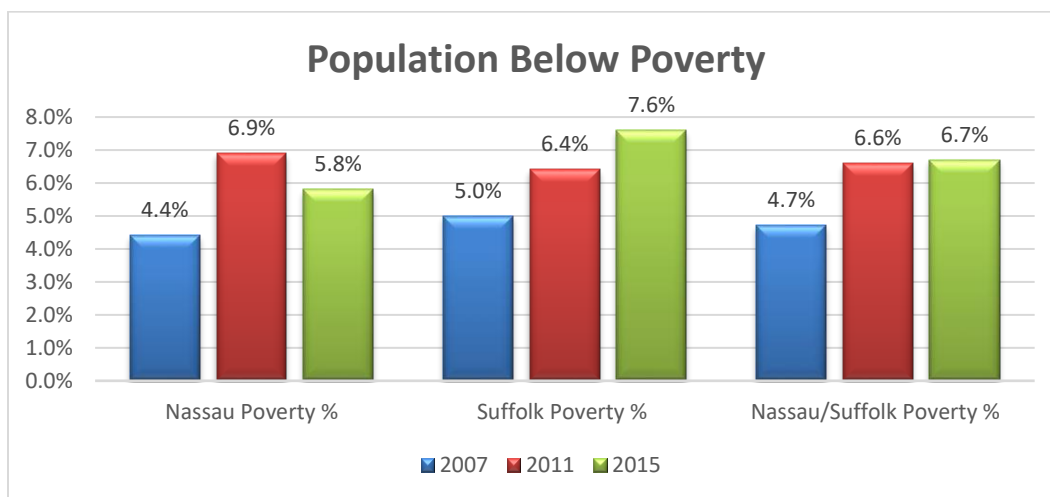
The average annual number of persons on Long Island between 2011 and 2015 living below the federal poverty line (\$24,250 for a family of four) **increased** by 32,953 to 185,415 persons, from the average annual between 2007 and 2011 of 152,462 persons².



Source: U.S. Census Bureau

Looking at individual years, Suffolk County has been hit harder than Nassau County between 2011 and 2015. While Nassau County saw a drop in both the population of those living in poverty (-12,201) and the percentage of those living in poverty (-1.1%), Suffolk County has seen a marked increase in both of these measures. Suffolk County has seen the number of persons living below poverty jump by 16,545, from 94,788 in 2011 to 111,333 in 2015.

(Suffolk's poverty rate has risen from 6.4% to 7.6% during this period, as Nassau's has dropped from 6.9% to 5.8%).



Source: U.S. Census Bureau

² The recent data showing increasing numbers of Long Islanders living under the poverty line are consistent with the findings of the LIA Research Institute's 2016 report [Long Island's Thinning Middle-Class](#), which found that the number of households with 50% or less of median income grew by 3.4% points since 1990; going from 21% of all households in 1990 to 24.4% in 2014.

All Families Impacted

While the U.S. Census Bureau's poverty data has been criticized for not reflecting the increase in non-traditional households, its strict definition of measurement units—"family"—as persons living in the same household who are related by birth, marriage, or adoption—makes it possible to observe that **the recession and its aftermath have also impacted families not typically associated with high levels of poverty**. In the pre-recession year 2007, married-couple families with children on Long Island had a 1.6% poverty rate. By 2011 these families had a 2.8% poverty rate, representing an increase of an estimated 8,280 persons living in poverty. While the rate of increase in poverty among married-couple families with children has slowed, by 2015 the poverty rate among these families had grown to 3.2%, an increase from 2011 of 2,003 persons. **Since 2011, the poverty rate for married-couple families with children has increased, even as the poverty rate for female-headed families with children and no husband present (discussed below) has fallen, an indication that perhaps broader economic trends, as opposed to increases in the number of at-risk families, are behind the poverty rate increase.**

Married-Couple Families with Children Under 18									
	Nassau			Suffolk			Nassau/Suffolk		
	Nassau	% Poverty	# Poverty	Suffolk	% Poverty	# Poverty	Nassau/Suffolk	%Poverty	Families #Poverty
2007	131,648	1.3%	1,711	143,562	1.9%	2,728	275,210	1.6%	13,317
2011	123,464	2.7%	3,334	138,052	2.8%	3,865	261,516	2.8%	21,597
2015	121,896	3.1%	3,779	120,234	3.4%	4,088	242,130	3.2%	23,600

Female-headed families with no husband present and with children under 18 years of age normally have higher poverty rates than other family types. In 2007, the poverty rate among these families was 15.8%, roughly 8,018 families and an estimated 24,054 persons. By 2011, the poverty rate among female-headed families with no husband present and with children under 18 years of age increased to 25%, with 15,138 of this family type living in poverty, with an estimated 45,414 persons. Since 2011, both the number and percentage of these families living in poverty has decreased, though the percentage has not returned to pre-recession levels. The poverty rate for these families declined to 20.9% in 2015, the number of families declined to 11,115 and the number of persons in these families declined to 33,345.

Female Headed Household, No Husband with Children Under 18									
	Nassau			Suffolk			Nassau/Suffolk		
	Nassau	% Poverty	#Poverty	Suffolk	% Poverty	# Poverty	Nassau/Suffolk	% Poverty	# Poverty
2007	21,882	17.7%	3,873	28,785	14.4%	4,145	50,667	15.8%	8,018
2011	25,136	31.1%	7,817	35,537	20.6%	7,321	60,673	25.0%	15,138
2015	23,166	23.0%	5,328	29,983	19.3%	5,787	53,149	20.9%	11,115

The 'Real Poverty' Level on Long Island

In 2015, the latest year for which data is available, the official national poverty rate was 13.5%, with 43.1 million people under the federal poverty threshold for a family of four earning less than \$24,250. In all likelihood, the official poverty rate understates the level of poverty on Long Island, as the federal income threshold does not distinguish between cost-of-living differences among geographic regions.³ If the standard cost-of-living adjustment produced by the Council for Community and Economic Research were applied, the poverty threshold for a family of four on Long Island would be almost 30% higher, or \$31,282.⁴ This level of income is only 28% of the median family income on Long Island in 2015 of \$111,601. Utilizing the 2015 federal poverty level guidelines for different household sizes, the table below indicates that there were an estimated 241,408 persons living under the adjusted poverty thresholds on Long Island, or 8.6% of the population.⁵

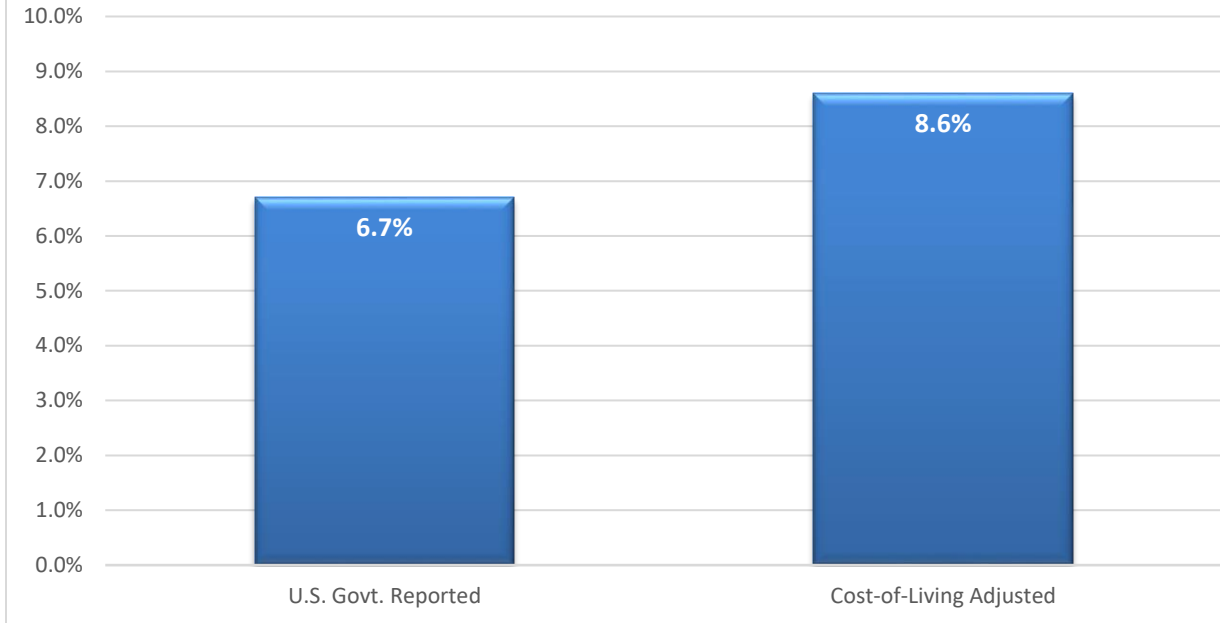
# of Persons in Household	100% of Federal Poverty Level	Nassau and Suffolk Adjusted Poverty Level	Nassau/Suffolk Persons Below Adjusted Poverty Line
1	\$11,770	\$15,183	81,167
2	\$15,930	\$20,550	30,879
3	\$20,090	\$25,906	35,532
4	\$24,250	\$31,283	41,821
5	\$28,410	\$36,648	20,081
6	\$32,570	\$42,015	17,545
7	\$36,730	\$47,382	14,383
8	\$40,890	\$52,748	n/a
		Total	241,408
U.S. Department of Health and Human Services ACCRA Historical Cost of Living Index 4 th Quarter 2014; American Community Survey IPUM-US, University of Minnesota, www.ipums.org			

³ "How is poverty measured in the United States?". Institute for Research on Poverty. University of Wisconsin-Madison. Retrieved on February 17, 2017 from < <http://www.irp.wisc.edu/faqs/faq2.htm>>

⁴ ACCRA Historical Cost of Living Index, 4th Quarter 2014. Retrieved on February 17, 2017 from http://docs.library.unr.edu/rs/accra/COLI_Historical_1990Q1_2015Q1.xlsx.

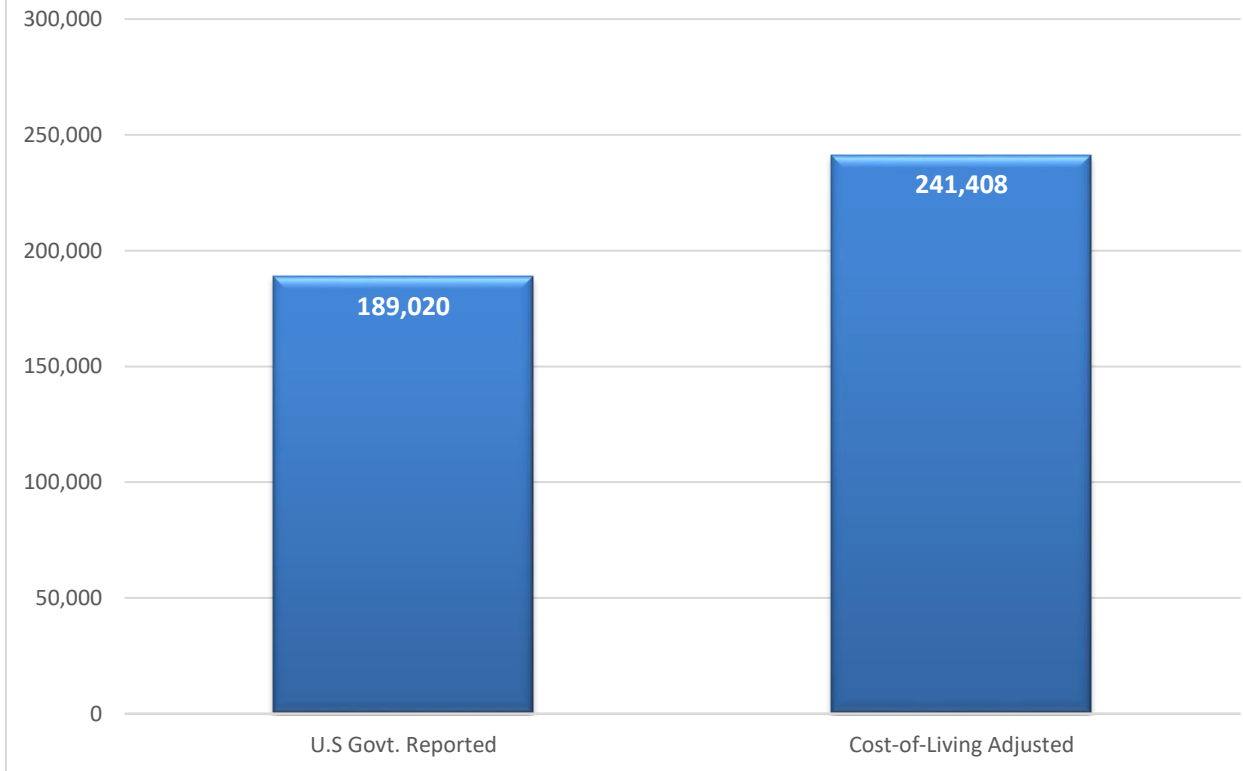
⁵ Long Island's population for whom poverty status has been determined, or 2,812,566 in 2015, according to the U.S. Census Bureau's American Community Survey; ACCRA Historical Cost of Living Index 4th Quarter 2014; American Community Survey; IPUMS-USA, University of Minnesota, www.ipums.org

Adjusted Poverty Rate Nassau-Suffolk (2015)



Source: U.S. Census Bureau; ACCRA Historical Cost of Living Index 4th Quarter 2014; American Community Survey; IPUMS-USA

Adjusted Number of Persons in Poverty Nassau-Suffolk (2015)



Source: U.S. Census Bureau; ACCRA Historical Cost of Living Index 4th Quarter 2014; American Community Survey; IPUMS-USA

Changes That Would Help Long Islanders Living in Poverty

There are several action items that could assist Long Islanders living in poverty.

- Federal legislation to include a cost-of-living adjustment for all federal poverty programs would benefit Long Islanders living in poverty. The uniform poverty threshold utilized by the federal government to determine assistance levels for programs such as Temporary Assistance to Needy Families, Medicaid, the Earned Income Tax Credit, and assistance under the Affordable Care Act is clearly unfair to high-cost regions like Long Island and contributes to the \$22.8 billion [balance of payment deficit](#) that the region has with Washington.⁶
- Making the Child and Dependent Care Tax Credit refundable for low and middle-income families, indexing the credit to inflation in child-care costs, and providing it monthly or quarterly to allow parents the ability to secure child care and return to work would assist families living below the poverty threshold.
- Raising the amount of the earned income tax credit for married couples with children would also be helpful.
- Also, like the Temporary Assistance to Needy Families and Safety Net Assistance programs, both SNAP (Supplemental Nutrition Assistance Program or “Food Stamps”) and Medicaid should include automatic enrollment in the Child Support Enforcement program. The Child Support Enforcement (CSE) program is a 40-year-old program that promotes economic self-sufficiency for single-parent families by locating absent parents, establishing paternity, creating financial and medical support obligations, and enforcing those obligations. Since the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (“Welfare Reform”) was passed and Temporary Assistance to Needy Families enrollments declined, the pipeline that leads eligible families to establish a CSE program case has contracted, leaving many families living in poverty who can benefit from CSE to go without it.⁷ Automatic enrollment for SNAP and Medicaid can be instituted at the federal or state level.
- Finally, as former U.S. Senator Hubert Humphrey once said, ‘The best social program is a job.’ Thus, efforts to retrain and educate those living on poverty should also be supported.

What else can be done?

The number of Long Islanders experiencing food insecurity is growing as are the amounts of working poor families who are increasing their use of food pantries and soup kitchens. The LI business community has always been a major benefactor to organizations involved in helping those living in poverty. To see how else you can help, please contact these fine organizations.

Long Island Cares: www.licares.org

Island Harvest: www.islandharvest.org

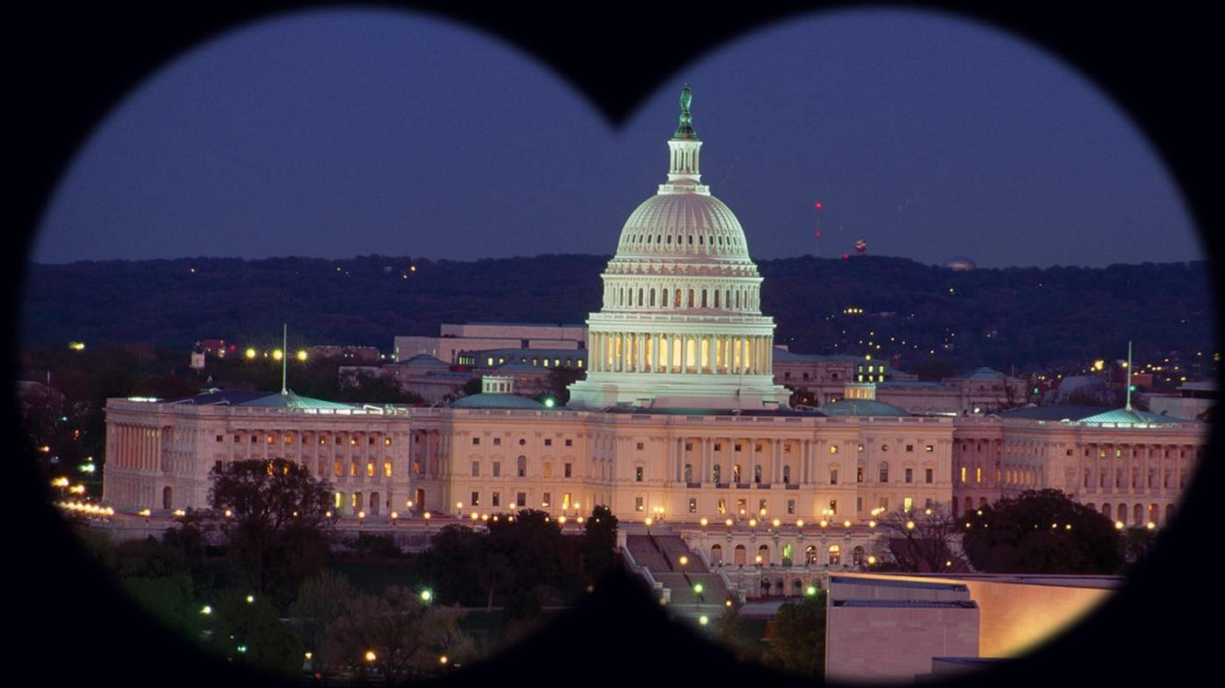
Catholic Charities: www.catholiccharitiesusa.org

The Inter-Faith Nutrition Network (The INN): www.the-inn.org

Long Island Council of Churches: <http://www.licc-ny.org>

⁶ See LIA Research Institute’s Balance of Payments: <http://www.longislandassociation.org/lia-research-institute-reports>

⁷ Schroeder, D. (Dec. 2016). The Limited Reach of the Child Support Enforcement System. American Enterprise Institute. Retrieved on February 21, 2017 from < <https://www.aei.org/wp-content/uploads/2016/12/The-Limited-Reach-of-the-Child-Support-Enforcement-System.pdf>>



WE LOOK OUT FOR LONG ISLAND

The Long Island Association watches out for the interests of Long Island business in Albany, in Washington DC, and at the local level, too. Join today and add your voice to ours.

To learn more, call 631-493-3003 or visit Longislandassociation.org

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LEADING LONG ISLAND